

# **EXHIBIT 1**

1. In case of dishonour, the goods may in the option of your correspondent or agent be landed, cleared through the customs, warehoused and insured at our expense. Where the currency of the bill of exchange and/or documents is other than that of the drawee's locality it is understood that the drawee may be allowed to settle exchange after he has accepted the bill of exchange and/or documents.
2. It is understood and agreed that, having exercised due care in the selection of any correspondent to whom the above-mentioned items may be sent for collection, you shall not be responsible for any act, omission, default, suspension insolvency or bankruptcy of any such correspondent or sub-agent thereof, or for any delay in remittance with attendant charges incurred, loss in exchange or loss of items or their proceeds during transmission or in the course of collection.
3. We hereby irrevocably and unconditionally undertake and agree to indemnify you your successors and assigns in full and at all times to keep you fully and completely indemnified from and against all liability claims demands actions proceedings losses and expenses whatsoever including but not limited to legal costs as between solicitor and own client and all other liabilities of whatsoever nature and description which may be made or taken or incurred or suffered by you in relation to the bill of exchange and other documents enclosed with this application including but not limited to those liabilities relating to or arising from any and all discrepancies that may exist between the documents as called for in the terms of the Letter of Credit and the documents enclosed with this application.
4. We hereby assume full responsibility for the validity, accuracy, genuineness and sufficiency of the bill of exchange, bill of lading and other documents attached to the bill of exchange drawn by us on the drawees mentioned overleaf and also the character, quantity, quality and condition of the merchandise mentioned in the bill of lading and/or other documents.
5. We agree to be responsible for and to bear the consequences of loss or delay in presentation of the bill of exchange, the bill of lading and all or any of the accompanying documents and/or the late or non-arrival of part or all of the goods, or for any loss or damage which may happen to the goods whether during its transit by sea, air or land or after its arrival or by reason of the non-insurance or insufficient insurance thereof or by whatever cause, or for the stoppage, or detention thereof by the shipper or any party whosoever, engaging ourselves duly to reimburse you with whatsoever sum that may be due to you with respect to the discount and purchase of the bill of exchange.
6. We hereby agree to indorse and deliver to you any bill of exchange presented to you in connection with our instructions. We further agree to give you a pledge over all bills of lading, warrants, delivery orders, insurance policies and certificates, documents of title and securities whatsoever and any other document which have been or will be delivered into you or your agent's possession or control and that any security created over our existing or future property may be utilised for the discharge of any liability arising hereunder. We hereby irrevocably assign to you all our rights, title and interest in, under and to any choses in action and proceeds relating to the subject transaction or arising under any document presented to you and do hereby authorise you to give notice of assignment to the relevant party in the event we do not issue such notice of assignment. Any rights conferred to you at law and in equity shall not be prejudiced or limited in any manner whatsoever.
7. We agree that the bill of exchange and accompanying documents shall continue to be at our risk and responsibility upon presentation to you and when forwarded by you for realisation by your collection agents at destination subject to all government regulations, restrictions and taxes and other dues both at Singapore as well as the place of destination of the shipment and the bill of exchange and/or documents; and we hold ourselves fully responsible to you and to your agent for the due compliance with each requirement, regulation, order or restriction, of any government department or of any competent naval or military authority made given or imposed in connection with the shipment of the merchandise or with the bill of exchange and/or documents or its negotiation and collection. All charges, costs and expenses relative to all matters herein are chargeable to and payable by us, if not paid or not fully paid by drawee.
8. We agree to pay you immediately after you receive notice (whether in writing or otherwise) of non-acceptance and/or non-payment the amount of the bill of exchange and/or documents together with interest, at your prescribed rate and all other charges and expenses. We also irrevocably authorise you at your sole discretion to debit our account with the currency of Singapore dollar equivalent of the bill of exchange and/or document(s) at your prevailing selling rate together with interest, at your prescribed rate and all other charges and expenses.
9. We agree that you may, at any time after agreeing to advance/ discount our bill of exchange and/or document(s) recover the amount, interest at your prescribed rate and all other charges and expenses upon demand to us notwithstanding that the Collecting Bank has not stated that it will not accept the bill of exchange and/or documents) and/or effect payment under the Documentary Collection referred to overleaf.
10. Without prejudice to any of your rights under law or agreement or otherwise, you shall be entitled to set-off any of our liabilities against credit balances in any bank account held in our name by you or any of your branches, agents, successors and/or assigns and we hereby undertake, on demand, to increase the amount standing to the credit of any such account as may be required.
11. Your holding additional security and/or the receipt of goods and/or documents by you shall not prejudice your rights on any bill of exchange and/or documents in case of dishonour nor shall any recourse or proceedings taken thereon or your granting time or other indulgence whatsoever to or making any composition or arrangements with any parties to such bill of exchange and/or documents prejudice or affect your title to such security or our liability, and it is also agreed that your rights against us shall not be prejudiced owing to any such bills of exchange and/or documents not having been noted and/or protested in the event of dishonour by non-acceptance and/or non payment.
12. The terms hereof shall be governed and construed in accordance with the Laws of Singapore (to the extent that it is not inconsistent with Uniform Customs and Practice, International Chamber of Commerce Publication 500 or Uniform Rules For Collection, International Chamber of Commerce Publication 522 whichever is applicable).